



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, DECEMBER 15, 1994

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**FORMER EXECUTIVE OF STEEL DRUM MANUFACTURER CHARGED
WITH PARTICIPATING IN PRICE-FIXING CONSPIRACY**

WASHINGTON, D.C. -- A federal grand jury in Chicago today indicted a former executive of the Russell-Stanley Corporation, a manufacturer of steel drums headquartered in Red Bank, New Jersey, for conspiring to fix prices on steel drums used for packaging chemicals and petroleum products, the Department of Justice announced.

To date, the Department's Antitrust Division has filed 13 criminal cases involving price fixing in the metal container industry against 13 companies and 16 individuals. Fines imposed total approximately \$10 million.

The one count indictment, filed in U.S. District Court in Chicago, charges William Lima of Monmouth Beach, New Jersey, with violating the Sherman Antitrust Act by conspiring with other steel drum manufacturers to fix the prices of steel drums sold in the eastern United States from May 1987 through April 1990.

The conspiracy included agreements concerning the amount and timing of price increases which were announced to customers

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approximately twice each year during the conspiracy period. Lima is the former president, CEO, and part owner of the Russell-Stanley Corporation.

Russell-Stanley produces steel drums at plants in Woodbridge, New Jersey, and Houston, Texas.

In June 1993, the company pleaded guilty to charges of price fixing, mail fraud, and obstruction of justice in connection with the grand jury investigation into price fixing in the metal container industry. As part of the plea agreement, Russell-Stanley paid a fine of \$1.85 million.

In August 1992, Louis Gaev, another executive with Russell-Stanley, was convicted after a jury trial of fixing steel drum prices in the eastern United States, and sentenced to 15 months in prison followed by three months home confinement.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the criminal charges resulted from a grand jury investigation in Chicago into collusion among metal container manufacturers in the United States. The ongoing investigation is being conducted by the Litigation I Section of the Antitrust Division with the assistance of the Federal Bureau of Investigation.

The maximum penalty for an individual convicted under the Sherman Act for a violation occurring prior to November 16, 1990, is three years imprisonment and a fine that is the greatest of \$250,000, twice the pecuniary gain the individual derived from

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the crime, or twice the loss caused to the victims of the crime,
in this case, the customers who purchased the steel drums.

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